

Assessment of pension coverage in the Russian Federation

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Abstract

© 2014, Mediterranean Center of Social and Educational Research. All rights reserved. This article discusses the evaluation of the pension coverage in the Russian Federation in comparison with other countries. Despite the increase in pension benefits, the pension level does not reach the established targets of the International Labour Organization and other international standards. One of the indicators of the pension coverage in all countries is the replacement rate for lost earnings of the insured person, which shows the ratio of the average pension to the size of the average wage. The article presents a comparative analysis of the method for calculation of this ratio in the Russian Federation and in the European countries; the replacement rate for lost earnings in the Russian Federation is recalculated on the basis of European standards.

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Keywords

Average wage, Cost of living, Insurance premiums, Pension coverage, Pension system, Replacement rate for lost earnings